



## Director's Message

As most of you know, John Prebil, Gene Huntington and I spent a couple of days with DOH people in the field offices. For my part, I appreciated the opportunity to talk over highway problems and your willingness to raise issues of importance.

Some of the suggestions given to us were excellent and are being implemented; others we're taking a look at and will decide later whether to use; others were not feasible given the funding and other constraints we work under. But overall, I believe we gained enough insight about field operations to help us do a better job of setting policy. You'll see more of Helena office people in the field during the next couple of years.

I thought you would also be interested in an update of other subjects relating to the Department.

First, since federal aid provides about 80% of the funding for the Department of Highways, the federal budget is of critical importance to us. As of now, we are looking at a reduction in the total Federal Highway Act from \$8.75 billion this year to \$8.2 billion next year. What this means for our programs has not been determined since the state-by-state allocations have not been made, but there certainly won't be any increase and more likely we are facing a decrease. We expect to know exactly in September and will keep everyone posted.

Secondly, the cost reduction measures I announced last month have been, or are being, implemented. The Department expects to save about \$6 million a year. That money will be used on the ground to build highways, and to keep people at work building highways. We have gone to the field for suggestions where the money can best be put to use.

Although cost reduction will continue as a high priority and there will be more changes in the way we operate to achieve the goal, I do not expect any additional major reductions in staff—but that is clearly dependent on what happens with federal funds. Again, that information will be made available as soon as we obtain it.

Third, the review of the Department's management operations and organization by the management consulting firm of Hansen and Associates is complete, and both the consultant and I want to extend appreciation for the assistance provided to the effort by all who served on the steering committees. Your help and ideas were very useful.

The major recommendation of the consultant is to proceed with the management system for the eight functions looked at: maintenance, preconstruction, construction, equipment, pavement management, supplies, project selection, and cash forecasting. A few of the benefits expected are: savings of tax dollars, improved management of Department programs, more efficient use of people and other resources, and improved scheduling of manpower and projects. However, development and implementation of all the systems would cost over \$2 million and take four years. We are now deciding what systems we will implement, in what priority, and over what time period. We will make copies of the report available for review in the field.

Third, the reorganization study has progressed to the point where the Helena office will now be visiting several field offices for discussions before a recommendation is made to me and a final decision is made. If a decision is made to decentralize the organization and decision making, I expect months and years will be needed before it can be fully implemented. If you have questions on this, let your supervisor know and he/she can get you the answer.

In general, I believe we are making progress towards achieving the goals I discussed last month. The support from every DOH employee I have worked with to date gives me a lot of confidence that the progress will continue.

## Howeth Names Newsletter

Congratulations to Phil Howeth, Planning and Research Division, Helena. His entry was determined the winner in the contest to design the name and logo for the newsletter.

It was difficult to judge between the 40 entries, because each showed effort, interest and creativity. The contest judges selected "The Interchange" because they felt it best described the purpose of the newsletter: an exchange of information between management and employees and between headquarters and the eleven division offices.

## REORGANIZATION STUDY

A committee of Department of Highways administrators has been studying the potential reorganization of the Department. A thrust of the study has been to explore organizational changes that would provide greater management authority and responsibility to the field operations of the Department. Another thrust of any organizational change would be to improve coordination between various department functions in the field.

The committee has reviewed each of the Department's functions in terms of: how the function relates to other departmental functions; potential for having more of the function carried out in the field, and geographic considerations of how the function is carried out in the field. The issues raised by this review are now being summarized in a report for review by representatives from the field and the Department's management committee. The committee hopes to develop recommendations by September 1.

The reorganization committee is interested in hearing ideas or questions from employees concerning reorganization. Members of the reorganization committee are: Bob Champion, Don Copley, Don Gruel, Russ McDonald, John Prebil and Gene Huntington.

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## FEDERAL CUTBACKS

The budget conference committee of Congress has reached an agreement that sets a ceiling on highway construction obligations at \$8.2 billion for fiscal year 1982. This level of obligations represents a decrease from last years obligation level. The effect on Montana has not been specifically established; however, preliminary estimates indicate the state may have \$3.5 million less than the current fiscal year.

In addition to agreeing on the level of obligations, the committee agreed on a measure that would authorize the states to only use 35% of their obligations in the first quarter of fiscal 82. The 35% restriction would further be limited by a provision that would limit the national average of state obligations to 25% in the first quarter.

Congress has not agreed on new legislation to continue the authorization of highway federal-aid and it appears that fiscal 1982 obligations will be authorized under the 1978 Surface Transportation Act. Continuing under the 1978 Act will probably mean that some of the dramatic shifts in funding, previously signaled by the Reagan administration will not occur in fiscal 1982. The Reagan proposal would have decreased aid to urban and secondary systems while increasing funding for interstate reconstruction.

### Funds Delayed

The failure to pass new highway federal-aid legislation also means that interstate funds will be delayed in fiscal 82. Further distribution of interstate funds can not take place until congress approves an official cost estimate for completion of the interstate system. This estimate would be contained in the new highway legislation that congress has not yet acted on. There is a possibility that congress could pass a concurrent resolution that would allow the 1982 interstate funds to be apportioned.

### GVW Violations

In June and July there were 349 overweight citations issued for a total due of \$21,005. There were 27 citations issued for between 10,000 and 15,000, 17 between 15,000 and 20,000 pounds, 9 between 20,000 and 30,000 pounds.

Citations for 30,000 and up were: Eckart Construction, Miles City; Great Northern Crane Rigging, Mills, WY; Neshem-Peterson Inc., Berthold, ND; Molerway Freight Lines Inc., Billings; Getter Trucking, Williston, ND; and Legnis Equipment, Gnoway, Canada.

## Letting Plans . . . September

The following is a list of the projects scheduled for the September 24th bid opening. These projects are possible as a result of release of over \$23 million in Federal highway construction funds originally held back by the Federal Highway Administration.

Project Location	Urban Projects	Miles
Missoula	Madison St. Bridge rehabilitation	—
Missoula	Higgins Ave. Bridge rehabilitation	—
Havre	Signals at 5th Ave. & 6th St. Intersection	—
Griffin Dr.	Right turn lane north of Bozeman	—
	<b>Primary Projects</b>	
Glacier Co-East	Plant mix overlay on US-2	6.4
Chinook-East	Plant mix overlay on US-2	9.7
No. of Whitefish	Curve adjustment on US-93	0.7
At Woodside	Widen structure, overlay	—
	Int. US-93 & MT-373	—
	<b>Secondary Projects</b>	
Brady-East	Upgrade/Overlay on MT-365	7.0
East of Victor	Bitterroot River Bridge	—
	<b>Building Projects</b>	
North of Dell	Dell-Red Rock Rest Area upgrade	
South of Dillon	Barrett Rest Area upgrade	
East of Troy	Weigh Station-US-2 & MT-56	

## EQUIPMENT REPLACEMENT PLANNED

The Equipment Division's budget level for fiscal 1982-83 authorizes \$3,977,000 for equipment replacement each year.

Replacement priority lists from each field Division and have been trimmed to meet the budget. Requests for fiscal 1982 total slightly over \$6 million.

This year equipment is being purchased in four groups through the bid process over a three-month period ending in late October: (1) mowers, rollers, sanders, tar-pots, paver, tilt-trailers, sweeper, basket lifts and chip spreaders; (2) loaders, motor patrols, small asphalt recyclers, one-way plows and self-propelled brooms; (3) 5-yard trucks, cars, pickups and vans; (4) diesel trucks, core drill equipment and backhoes.

Money-saving changes to be incorporated into this year's purchases are down-sizing motor patrols and loaders; buying trucks and dump bodies separately and assembling the units in the Helena shop; and purchasing some 5-yard trucks with diesel power.

The reductions being made in the level of service provided by maintenance and the reduced construction program will both have a long-term effect on future equipment purchases. We have vehicles and equipment in our present fleet that are operating past their life expectancy. We anticipate that with the funds available this biennium, coupled with a reduced work level, we will be able to make a good effort toward bringing the fleet up to an acceptable standard.

## DOT Regulations Challenged

U.S. Department of Transportation regulations requiring state highway departments to establish percentage goals for contracting with Minority Business Enterprises (MBE) or Women Business Enterprises (WBE) that were established last year have been challenged in an Alabama federal district court.

Although, at this stage, the case does not directly affect Montana, it will be interesting to see how DOT reacts to the decision and whether the MBE program will be changed.

At issue were the DOT regulations (1) requiring that only bids having a percentage of work awarded to MBEs be considered in awarding state contract, (2) those requiring a set aside of funds for MBEs, and (3) those allowing DOT to enforce its regulations for noncompliance by the state in these two areas.

The judge ruled that the contractors and the Alabama DOH need not comply with the Federal regulations for two reasons. First, Congress did not authorize DOT to impose regulations to stop discrimination.

Second, DOT requires no evidence of past discrimination, or indication that goals set would cure discrimination.

The judge found the regulations to be in violation of the equal protection clause of the U. S. Constitution. He stated that if the goals had been set by Congress, he would have determined that they were constitutional.

In addition, no hearings were held prior to the adoption of the DOT regulations.



## Maintenance . . .

### Modified Service Level

In order to reduce costs, the Maintenance Division of the Montana Department of Highways is modifying its current policies on mowing, delineation, lighting, rest area service, signing, asphalt-aggregate recycling, litter, roadside tables, sanding and snow removal.

Mowing will be confined to one swath accomplished as needed to provide adequate sight distance, eliminate snow traps and reduce fire danger. Special attention will be given to extremely hazardous areas.

Damaged delineators will not be replaced unless they are at the maximum allowable spacing and continuous delineation will be phased out on roads of less than 900 average daily traffic.

The lighting at several interchanges will be turned off and others will operate with less luminaires.

Three more rest areas, Flowing Wells, Bridger and Roberts, which have been open year-around, will now be closed during the winter months.

Recent innovations in signing materials will enable the Division to use pressure sensitive overlays while reusing back plates. Also, some overlays can be placed without removing old signs.

Asphalt-aggregate pavement that has to be removed will be saved for recycling. Present costs for asphalt and aggregates and the advent of recycling machines makes recycling old pavements economically favorable. In addition, vital materials will be conserved.

The placement of litter barrels and roadside tables was for the convenience of travelers. Evidence indicates the litter barrels are being used to dispose of garbage that should be collected by other means. The cleanup and repair of roadside tables is excessive because of misuse. Most litter barrels and all roadside tables not a part of a recognized campground, have been removed.

In the past, all state maintained highways were to receive the same level of service for snow removal and sanding. We are now forced to make changes in this policy due to the increased mileage of four-lane, wider and curved highways. On many curbed sections the snow has to be loaded and hauled to specific sites. On four-lane roads, additional snow plow passes are made to move snow into storage areas. Many highways have parking lanes that must be cleaned.

Maintenance funds are inadequate to continue this high level of service on all roads; therefore, each of the 11 divisions throughout the state are developing their own snow removal and sanding scheme

which will keep roads traversable during most weather conditions. High volume traffic, school children, produce, medical attention and other vital services will be considered in prioritizing winter maintenance. Most of the snow removal will be done during normal working hours. Overtime will only be used in dire emergencies. Sanding will be provided on: curves; hills; intersections; bridges, and some approaches; in that order.

Motorists are advised to avoid nighttime travel during adverse weather. Plows won't be out all night as before.

To keep our highways as safe as possible with the allocated funds, understanding and cooperation by the users are essential. Travelers are urged to use extreme caution when planning and arranging their travel. Everyday users should consider starting out earlier when storms are pending or when adverse conditions are present.

## CONSTRUCTION UPDATE

Due to the rain and flood, spring of 1981 has been an unusual construction period, particularly in Western and Central Montana.

There are 84 projects totaling \$187,298,340 presently under contract. Of these, 54 are expected to be completed by the end of the 1981 construction season.

A number of projects will be let to contract through next spring which will provide a considerable amount of carry-over work into the next construction season.

The Construction Bureau has approximately 300 persons directly involved with highway construction. Contractors are employing about 1500 people on highway projects.

As the carry-over projects are completed, the work load of field construction personnel will be reduced considerably, affecting many jobs throughout the state.

Due to several cutbacks in Federal funding during the past year, letting of new contracts has been seriously curtailed.

## GVW Demonstration Project

Montana is one of six states in a demonstration project to test the International Registration Information System (IRIS), according to Don Copley, Administrator, GVW Division.

The IRIS is a computer software system designed to provide support information for processing commercial vehicle registration transactions for state members of the International Registration Plan.

"It will enable a state to compute and collect fees for all other states," Copley explained. "The IRIS will enable Montana to

compute the fees of all jurisdictions a resident commercial vehicle will pass through. We would then be responsible for passing the required fees on to the other states."

"In 1980, the GVW Division processed 300,000 vehicles," Copley noted. "With the IRIS system, Montana would only process our own resident vehicles, which amount to about 14,000 vehicles for 1000 firms."

Other states involved in the one-year demonstration process include Colorado, Minnesota, Wyoming, Arkansas and Missouri.

## Accommodations for Handicapped

Webster defines "handicap" as "as disadvantage that makes achievement unusually difficult"...not impossible.

Three hypothetical examples illustrate the Department of Labor's definition of the word as it pertains to the protection of the handicapped person in the employment field.

A DOH secretary was severely injured in an accident, is confined to a wheelchair but ready to return to her job.

An employee with a mental impairment meets all the necessary qualifications for a better position, and applies.

An engineer suffers a heart attack, recovers and wants to return to his profession where there is a vacancy.

All three have handicaps that may "substantially limit" their activities. They are likely to experience difficulty in securing, retaining, or advancing in employment because of that disability.

Employers are not required to hire someone just because the person is handicapped. However, Federal regulations require an employer to "make reasonable accommodations to the known physical or mental limitations of an otherwise qualified handicapped applicant or employee unless the employer can demonstrate the accommodation would impose an undue hardship on the operation of the agency." (S-504, Title VI, Rehabilitation Act of 1973 as amended, 1974)

Some examples of "special accommodations" could include outside ramping for wheelchairs, special parking spaces, stairway handrails, elevating or relocating a desk to accommodate a wheelchair, restroom grab bars; and even restructuring of a position, eliminating or altering duties.

Federal regulations are specific about accommodations, and program compliance is reviewed carefully to assure every reasonable effort has been made at DOH to accommodate a handicap. If you would like further information, contact the Civil Rights Office, 449-4723.

## Health Insurance Plan

The cost of the State's group health, life and dental insurance plan increased substantially as of August 1st, due to medical cost inflation and heavy utilization, primarily by dependents.

To stabilize the cost, the State Health Insurance Advisory Council (SHIAC) recommended the following changes be made to the plan:

1. Increase the employee's share of payment from 10% to 20%.
2. Add a \$100 deductible per person with a maximum of \$300 deductible per family.
3. Reduce annual benefits from \$10,000 to \$4,000 for mental and nervous disorders.
4. Extend waiting period from six to 12 months for coverage of pre-existing medical conditions for new employees.

Through these measures it is anticipated utilization will decrease, bringing stability to the plan. The Department of Administration accepted the recommendations and entered into contracts with Blue Cross of Montana for health and dental coverage, and Northwestern National Life for life insurance coverage.

## Asphalt Research

In the half century following 1920, asphalt nearly always yielded a strong, durable highway pavement when properly mixed and placed. About 1970, flaws began to appear in this unwritten axiom. Without explanation, some relatively new sections of pavement in Montana began to show signs of abnormal distress.

As time passed, some pavements prematurely disintegrated and had to be repaved, others required extensive maintenance work. While not involving the majoring of new asphalt pavements, this pattern is apparently still repeating itself. Prior to 1975, these failures were thought to be due to factors such as quality of aggregate, mix design, poor production methods, oxidation, moisture and temperature damage, etc. Poor quality asphalt was vaguely suspect, but standard asphalt tests did not reveal any significant changes.

In 1975, information on the possible role of asphalt in the pavement failure came into sharper focus. The first clue was that the price of petroleum products had started to climb in the late '60s, rising dramatically through 1974. This change in economic

## New Bureau...

### Safety & Training

Among the changes occurring in DOH is the formation of the Safety & Training Bureau, as a part of Centralized Services Division. It is composed of the former Safety Bureau and Energy & Conservation Bureau with a number of new responsibility areas.

Bureau Chief Jerry Toner says, "The goal of the new bureau is twofold: (1) to attain the highest level possible in coordination and promotion of safety programs, and (2) to plan, implement and maintain a statewide training program that meets the needs of the Department employees."

Working with Toner will be Clint Fulkerson, Safety Unit Manager; John Murphy, Safety/Health Specialist; Jim Leary, Safety Coordinator; and Marjorie Blewett, Office Manager. New areas of responsibility will be with Leroy Broughton, Training Section Officer; and Robert McTaggart, Travel & Records Management Officer.

Broughton will complete an assessment of training needs to aid in the development of course offerings for employees by next month.

conditions perhaps led to changes in refinery operations, including some by which the asphaltic remainder may have been robbed of critical chemical constituents.

### Failure Noted

A second clue was that subtle variations were noted when comparing uncombined "virgin" asphalt from different sources and years of production. For the most part, these were unscientific observations, such as smell, stickiness and consistency. There was a definite increase in cases where the asphalt failed to properly "set up" or harden.

Finally, it was known that existing "quality" tests for asphalt were based largely on physical parameters and that there was no definitive chemical tests or chemical based specifications. Though the Department continued to perform the standard tests, it became increasingly clear the tests were not giving any real indication as to how a lot of asphalt would perform.

The many unanswered questions, and the extent of the asphalt pavement problems, led DOH to examine more closely the chemistry of asphalt, and to seek better means of determining its quality. In July 1976, after an informal investigation, the Department commissioned Dr. Wyn Jennings, MSU, to begin a research on the problem. The results of this study will be summarized in the next issue.

McTaggart is coordinating efforts to reduce in-state travel costs and to streamline records systems through the development of a standard file identification and records management manual.

## New Equipment & Sign Shop

After some interior painting and shelving are completed, the new energy-efficient Helena shop facility will be ready for occupancy. The Sign and Equipment shops move from the fairgrounds to the new building within the Highway Complex will be complete by mid-September.

The new building will house the sign and carpenter shops on the second level with 6060 sq. ft., and the Helena equipment repair shop on the lower level with 20,642 sq. ft.

Contracts for the construction of the new facility totaling \$1.7 million were awarded in June, 1980. It was funded by a Highway Earmarked appropriation by the 1979 Legislature.

## Personnel

As of July 8th, the employment report reflects 1836 permanent employees and 60 temporaries.

Although the Personnel Division lost five positions from its budget, changes in work assignments and the use of committees in some areas will result in improved service to the Department.

Performance Appraisal Workshops are being held in each of the field offices and at headquarters. The workshops are to train supervisors in the use of the Department's Performance Appraisal System.

## New Positions

John Prebil has been selected as Deputy Director, and Russell McDonald as Administrator of the Personnel Division.

William Salisbury, the new Administrator of Centralized Services, formerly held the same position in the Department of Labor and Industry.

Donald Harriott, former Helena mayor and current Director of Communications for The Asphalt Institute in Washington, D.C., begins as Administrator of the Engineering Division in September.

## Retirements

Elington Bender, Great Falls; Robert Benson, Havre; Edward Dorothy, Miles City; Verdun France, Missoula; George Hein and Walter Russell, Billings; and Jay Bohan, Livingston.

At Helena headquarters: Arthur Hall and Faith Hustad, Right-of-Way; Joy Ryckman and Robert Gwaltney, Communications; Frank Hays and John McCarthy, EEO; and Howard Stratton, Planning & Research.